THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) Although, there has been an increase in the price of vehicles during the last two years, such increases have generally been only to the extent of about 6%. The increase in automobile prices is less than the general price increase in the country. This increase is mainly due to increase in the cost of inputs such as raw materials, components, capital, power, etc.

(b) and (c) Do not arise.

[Translation]

Setting up of Industries with Foreign Investment

1112. SHRI RAVINDRA KUMAR PANDEY :
SHRIMATI SHEELA GAUTAM :
SHRI R.L.P. VERMA :

Will the Minister of INDUSTRY be pleased to state:

(a) whether some proposals have been received from abroad for setting up of industries in India;

(b) if so, the details thereof as on December 31, 1996, State-wise alongwith names of the countries;

(c) the total investment proposed to be made therein; and

(d) the details of survey report regarding generation of employment opportunities as a result thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (c) A total number of 2303 proposals (Financial and Technical) involving foreign direct investment of Rs. 36146.80 Crores have been approved during the period from 1.1.96 to 31.12.96.

The details of such proposals viz., name and country of foreign collaborator, equity investment involved, item of manufacture/activity are published by the Indian Investment Centre as a supplement to the Monthly Newsletter and copies of these are regularly supplied to the Parliament Library.

(d) Details of employment generation with specific linkage to foreign direct investment is not centrally maintained. It is relevant that when the foreign investment is made in the Industry, it would result in generation of employment opportunities.

Additional Central Assistance to M.P.

1113. SHRI VISHVESHWAR BHAGAT : Will the Minister of FINANCE be pleased to state :

(a) whether the Tenth Finance Commission has not recommended for providing planning revenue deficit grant to Madhya Pradesh;

(b) if so, whether the State will face difficulty in mobilising revenue expenditure for planning and losser resources will be available for planning; and

(c) if so, whether the Government will propose to reconsider to provide additional central assistance to the State for financing of the planning and special problems of the State to supplement the resource crunch arising out of not providing the above grant?

THE MINISTER OF STATE IN THE MINISTRY FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) The Tenth Finance Commission (TFC) has not recommended plan revenue deficit grant to States.

(b) and (c) The total devolution to Madhya Pradesh as per the award of Tenth Finance Commission for the period 1995-2000 is estimated to be Rs. 16094 crores as compared to Rs. 7843 crores recommended by the Ninth Finance Commission over the preceding quinquennium 1990-95. There is adequate increase in the total devolution to State as recommended by Tenth Finance Commission.

The requirement of resources for funding the plan is assessed by Planning Commission in consultation with States. The Annual Plan of Madhya Pradesh for 1996-97 as finalised by Planning Commission is fully funded. There is no proposal under consideration of the Government to give additional Central assistance to the State in addition to what has been allocated by Planning Commission.

[English]

National Infrastructure Development Corporation

1114. SHRI N. DENNIS : Will the Minister of FINANCE be pleased to state :

(a) whether the National Infrastructure Development Corporation have examined the details of infrastructure improvements to invite foreign finance for developing Indian economy; and

(b) if so, the details in this regard alongwith the areas of research made by the above Corporation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) Infrastructure Development Finance Company announced in the Budget speech for the year 1996-97 has been incorporated as a non-Government company on 30.1.97. As per the Memorandum of Association of the company, the objects of the company inter-alia include mobilising capital from domestic and foreign investors, providing financial assistance, guarantees and other form of credit enhancement to companies engaged in developing or financing of infrastructure projects in the country. The company is currently in the process of preparing a detailed business plan.

Fifth Pay Commission

1115. SHRI SANDIPAN THORAT : Will the Minister of FINANCE be pleased to state :

(a) whether the Fifth Pay Commission has recommended recast of Ministries;